

EXHIBIT A

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

MISCELLANEOUS CHANGE ENDORSEMENT

POLICY NUMBER: 65 UEC TU8145 SC
CHANGE NUMBER: 001A



This endorsement modifies insurance provided under the following:

BUSINESS AUTO COVERAGE FORM

This endorsement changes the policy effective on the inception date of the policy unless another date is indicated below. (Premium adjustment, if any, for the addition, deletion or other change described in this endorsement is shown in the Premium Column below.)

Effective Date: 07/26/05

Named Insured: BORDER STATES TRAFFIC SUPPLY, INC

Producer's Name: TALBOT AGENCY INC.

Pro Rata Factor: .707

Description of Change:

ANY CHANGES IN YOUR PREMIUM WILL BE REFLECTED IN YOUR NEXT BILLING STATEMENT

THIS IS NOT A BILL

FOR THIS ENDORSEMENT THE ADDITIONAL PREMIUM OF
POLICY CHANGE EFFECTIVE DATE.
TEXAS ATPA FEE

\$1.00

TERRORISM PREMIUM

\$0.00

THE FOLLOWING COVERED "AUTO(S)" IS/ARE ADDED (SEE SCHEDULE)

00014

THE FOLLOWING ENDORSEMENT(S) IS/ARE REVISED:

THIS ENDORSEMENT IS NOT BINDING UNLESS COUNTERSIGNED BY OUR AUTHORIZED REPRESENTATIVE.

Countersigned by _____
Authorized Representative Date

11195
*2100065TU81450401

POLICY NUMBER: 65 UEC TU8145

TEXAS PREMIUM DISCOUNT

\$ 37.00RP

FORMS REVISED

TE0401C TE0409D

SCHEDULE OF COVERED AUTOS YOU OWN

ABSENCE, IF ANY, OF A LIMIT ENTRY MEANS THAT THE LIMIT ENTRY SHOWN IN THE
CORRESPONDING ITEM TWO OF THE DECLARATIONS LIMIT COLUMN APPLIES INSTEAD.

NO. 00014 01 FORD F350 ID NO. 1FDSF34L21EA28024
GARAGED: EL PASO TX TERR: 005 CLASS: 01489
ORIG. COST NEW: \$ 20,710
ZIP CODE: 79907

COVERAGES:	ANNUAL PREMIUMS	SEQ. NO. 00022	ADDITIONAL/RETURN PREMIUMS
LIABILITY	\$ [REDACTED]		\$ [REDACTED] AP
PERSONAL INJURY PROTECTION	\$ [REDACTED]	\$ 2,500 EACH "INSURED"	\$ [REDACTED] AP
UNINSURED MOTORISTS	\$ [REDACTED]		\$ [REDACTED] AP
COMPREHENSIVE	\$ 1,000 DEDUCTIBLE		\$ [REDACTED] AP
COLLISION	\$ 1,000 DEDUCTIBLE		\$ [REDACTED] AP
	\$ [REDACTED]		\$ [REDACTED] AP

PERSONAL INJURY PROTECTION ENDORSEMENT - TEXAS

This endorsement modifies insurance provided under the following:

**BUSINESS AUTO COVERAGE FORM
GARAGE COVERAGE FORM
TRUCKERS COVERAGE FORM
NON-RESIDENT TEXAS AUTO POLICY**

SEE SCHEDULE

SCHEDULE

**Limits of Insurance
(each Insured)**

Premium

_____	_____
_____	_____
_____	_____

Description of Covered Autos

(Check appropriate block)

- ☐ Any auto owned by you.
- ☐ Any private passenger auto owned by you.
- ☐ Any motor vehicle to which are attached dealer's license plates issued to you.
- ☐ Any motor vehicle designated in the Declarations of the policy by the letters P.I.P. and a motor vehicle ownership of which is acquired during the policy period by the named insured as a replacement therefor.

☐ _____

A. COVERAGE

We will pay Personal Injury Protection benefits because of bodily injury:

1. resulting from a motor vehicle accident; and
2. sustained by a person insured.

Our payment will only be for losses or expenses incurred within three years from the date of accident.

Personal Injury Protection benefits consist of:

1. Necessary expenses for medical and funeral services.
2. Eighty percent of an insured's loss of income from employment. These benefits apply only if, at the time of the accident, the insured
 - a. was an income producer; and
 - b. was in an occupational status

These benefits do not apply to any loss after the insured dies

Loss of income is the difference between

- a. income which would have been earned had the person insured not been injured; and
- b. the amount of income actually received from employment during the disability.

If the income being earned as of the date of accident is a salary or fixed remuneration, it shall be used in determining the amount of income which would have been earned. Otherwise, the average monthly income earned during the period (not more than 12 months) preceding the accident shall be used.

3. Reasonable expenses incurred for obtaining services. These services must replace those an insured would normally have performed.

- a. without pay;
- b. during a period of disability; and
- c. for the care and maintenance of the family or household.

These benefits apply only if, at the time of the accident, the insured:

- a. was not an income producer; and
- b. was not in an occupational status.

These benefits do not apply to any loss after the insured dies.

B. EXCLUSIONS

We do not provide Personal Injury Protection Coverage for any person for bodily injury sustained:

- 1. In an accident caused intentionally by that person.
- 2. By that person while in the commission of a felony.
- 3. By that person while attempting to elude arrest by a law enforcement official.
- 4. While occupying or when struck by, any motor vehicle (other than a covered auto) which is owned by you.
- 5. By a family member while occupying or when struck by any motor vehicle (other than a covered auto) which is owned by a family member.

C. WHO IS AN INSURED

- 1. You or any family member while occupying or struck by any auto.
- 2. Anyone else occupying a covered auto with your permission.

D. LIMIT OF INSURANCE

Regardless of the number of owned covered autos, insureds, premiums paid, claims made or vehicles involved in the accident, the most we will pay for bodily injury for each insured in any one accident is the limit of Personal Injury Protection shown in this Schedule or in the Declarations.

E. CONDITIONS

The CONDITIONS of the policy are changed for Personal Injury Protection as follows:

- 1. TRANSFER OF RIGHTS OF RECOVERY AGAINST OTHERS TO US does not apply.
- 2. The reference in OTHER INSURANCE to "other collectible insurance" is replaced by the following:

If there is other Personal Injury Protection Insurance, we will pay only our share. Our share is the proportion that our Limit of Insurance bears to the total of all applicable limits. However, any insurance we provide with respect to a vehicle you do not own shall be excess over any other collectible Personal Injury Protection Insurance.

F. PAYMENT PROVISION

Loss Payments. Benefits are payable:

- 1. not more frequently than every two weeks, and
- 2. within 30 days after satisfactory proof of claim is received.

G. ASSIGNMENT OF BENEFITS

Payments for medical benefits will be paid directly to a physician or other health care provider if we receive a written assignment signed by the covered person to whom such benefits are payable.

H. ADDITIONAL DEFINITIONS

The following are added to the DEFINITIONS Section and have special meaning for Personal Injury Protection.

- 1. "Family member" means a person related to you by blood, marriage or adoption who is a resident of your household, including a ward or foster child.
- 2. "Occupying" means in, upon, getting in, on, out or off.
- 3. "Covered auto" means an auto:
 - a. owned or leased by you or
 - b. while temporarily used as a substitute for an owned covered auto that has been withdrawn from normal use because of its breakdown, repair, servicing, loss or destruction.

Liability covered by this policy must apply to the covered auto.

Covered auto includes autos (described in a. and b. above) for which Personal Injury Protection coverage has not been rejected in writing.

UNINSURED/UNDERINSURED MOTORISTS INSURANCE

This endorsement modifies insurance provided under the following:

BUSINESS AUTO COVERAGE FORM
GARAGE COVERAGE FORM
TRUCKERS COVERAGE FORM
NON-RESIDENT TEXAS AUTO POLICY

SCHEDULE

Coverage	Limit of Insurance	Premium
Bodily Injury	\$ each person	
	\$ each accident	\$
Property Damage	\$ each accident	\$
Combined Liability	\$ each accident	\$

Designated Person: SEE SCHEDULE

Description of Covered Autos
(Check appropriate box.)

☐ Any auto owned by you.

☐ Any private passenger auto owned by you.

☐ Any auto to which are attached dealer's license plates issued to you.

☐ Any auto designated in the declarations of the policy [by the letters "UM/UIM"] and an auto ownership of which is required during the policy period by you as a replacement therefor.

☐

A. COVERAGE

We will pay damages which an insured is legally entitled to recover from the owner or operator of an uninsured motor vehicle because of bodily injury sustained by an insured, or property damage caused by an accident. The owner's or operator's liability for these damages must arise out of the ownership, maintenance or use of the uninsured motor vehicle. Any judgment for damages arising out of a suit brought without our written consent is not binding on us. If we and you do not agree as to whether or not a vehicle is actually uninsured, the burden of proof as to that issue shall be on us.

B. EXCLUSIONS

1. We do not provide Uninsured/Underinsured Motorists Insurance for any person:
- For bodily injury sustained while occupying, or when struck by any motor vehicle or a trailer of any type owned by you, a designated person or a family member of either which is not insured for this coverage under this policy.
 - If that person or the legal representative settles the claim without our consent.
 - For the first \$250 of the amount of damage to the property of that person as the result of any one accident.
 - Unless you have a reasonable belief that the person is entitled to do so. This exclusion does not apply to you, any designated person or a family member of either while using a covered auto.
 - For bodily injury or property damage resulting from the intentional acts of that person.
2. This coverage shall not apply directly or indirectly to benefit:
- an employer or self-insurer under any workers' compensation, disability benefits or similar law;
 - a co-owner of property.

C. WHO IS AN INSURED

1. You and any designated person and any family member of either.
2. Any other person occupying a covered auto.
3. Any person or organization for damages that person or organization is entitled to recover because of bodily injury sustained by a person described in 1. or 2. above.

D. LIMIT OF INSURANCE

When separate Limits of Insurance for bodily injury and property damage liability are shown in the Declarations or in the Schedule for this coverage the Limit of Insurance for each person for bodily injury liability is our maximum Limit of Insurance for all damages for bodily injury sustained by any one person in any one auto accident. Subject to this limit for each person the Limit of Insurance indicated for each "accident" for bodily injury liability is our maximum Limit of Insurance for all damages for bodily injury resulting from any one accident. The Limit of Insurance indicated for each "accident" for property damage liability is our maximum Limit of Insurance for all damages to all property resulting from any one auto accident.

If the applicable Limit of Insurance shown either in the Schedule or in the Declarations for this coverage is for combined liability, it is our maximum Limit of Insurance for all damages resulting from any one accident.

This is the most we will pay regardless of the number of:

1. insureds;
2. claims made;
3. policies or bonds applicable;
4. covered autos;
5. vehicles involved.

Subject to this maximum, our limit of liability will be the lesser of:

1. The difference between the amount of a covered insured's damages for bodily injury or property damage and the amount paid or payable to that covered insured for such damages, by or on behalf of persons or organizations who may be legally responsible; and
2. The applicable limit of liability for this coverage.

In order to avoid insurance benefits payments in excess of actual damages sustained, subject only to the limits set out in the Schedule in the Declarations and other applicable provisions of this coverage, we will pay all covered damages not paid or payable under any workers' compensation law, disability benefits law, any similar law, auto medical expense coverage or Injury Protection Coverage.

Any payment under this coverage to or for an insured will reduce any amount that insured is entitled to recover for the same damages under the LIABILITY COVERAGE of this policy.

SPECIAL PROVISION FOR PROPERTY DAMAGE

Any property damage loss to which the PHYSICAL DAMAGE COVERAGE of this policy (or similar coverage from another policy) and this coverage both apply, you may choose the coverage from which damages will be paid. You may recover under both coverages, but only if:

1. neither coverage by itself is sufficient to cover the loss;
2. you pay the higher deductible amount (but you do not have to pay both deductibles); and
3. you will not recover more than the actual damages.

E. CONDITIONS

The CONDITIONS of this policy are changed for UNINSURED/UNDERINSURED MOTORISTS INSURANCE as follows:

1. DUTIES IN THE EVENT OF ACCIDENT, CLAIM, SUIT OR LOSS is changed by adding the following:
 - a. promptly notify the police if a hit-and-run driver is involved, and
 - b. promptly send us copies of the legal papers if a suit is brought,
 - c. take reasonable steps after loss to protect the covered auto and its equipment from further loss. We will pay reasonable expenses incurred to do this,
 - d. permit us to inspect and appraise the damaged property before its repair or disposal.

2. TRANSFER OF RIGHTS OF RECOVERY AGAINST OTHERS TO US is changed by adding the following:

If we make any payment and the insured recovers from another party, the insured shall hold the proceeds in trust for us and reimburse us to the extent of our payment. However, we may not claim the amount recovered from an insurer of any underinsured motor vehicle.

3. The reference in OTHER INSURANCE to "other collectible insurance" is replaced by the following:

If there is other applicable similar insurance we will pay only our share of the loss. Our share is the proportion that our Limit of Insurance bears to the total of all applicable limits. However, any insurance we provide with respect to a vehicle you do not own shall be excess over any other collectible insurance.

F. ADDITIONAL DEFINITIONS

The following are added to the DEFINITIONS Section and have special meaning for UNINSURED/UNDERINSURED MOTORISTS INSURANCE:

1. "Family member" means a person related to you by blood, marriage or adoption who is a resident of your household, including a ward or foster child.
2. "Designated person" means an individual named in the schedule. By such designation, that person has the same coverage as you.
3. "Occupying" means in, upon, getting in, on, out or off.
4. "Covered auto" means an auto:
 - a. owned or leased by you or
 - b. while temporarily used as a substitute for an owned covered auto that has been withdrawn from normal use because of its breakdown, repair, servicing, loss or destruction.

Liability coverage of this policy must apply to the covered auto.

Covered autos include autos (described in a. and b. above) for which Uninsured/Underinsured Motorists Insurance has not been rejected in writing.

5. "Property damage" means injury to or loss of or destruction of;
 - a. a covered auto; or
 - b. property owned by you, a designated person, or any family member of either while contained in a covered auto; or
 - c. property owned by any other person occupying the covered auto while contained in the covered auto; and
 - d. any property owned by you, a designated person or family member of either while contained in any auto not owned and being operated by you, a designated person or any family member of either.
 6. "Uninsured motor vehicle" means a land motor vehicle or trailer of any type:
 - a. To which no liability bond or policy applies at the time of the accident.
 - b. With a hit-and-run vehicle whose operator or owner cannot be identified. The vehicle must hit an insured, a covered auto or a vehicle an insured is occupying.
 - c. To which a liability bond or policy applies at the time of the accident, but the bonding or insuring company denies coverage or is or becomes insolvent.
 - d. Which is an underinsured motor vehicle. An underinsured motor vehicle is one to which a liability bond or policy applies at the time of the accident but its limit of liability either:
 - (1) is not enough to pay the full amount the covered insured is legally entitled to recover as damages; or
 - (2) has been reduced by payment of claims to an amount which is not enough to pay the full amount the covered insured is legally entitled to recover as damages.
- However, "uninsured motor vehicle" does not include any vehicle or equipment,
- a. Owned by or furnished or available for the regular use of you, a designated person or a family member of either.
 - b. Owned or operated by a self-insurer under any applicable motor vehicle law.
 - c. Owned by any governmental body unless the operator of the vehicle is uninsured and there is no statute imposing liability for damage because of bodily injury or property damage on the governmental body for an amount not less than the Limit of Insurance for this coverage.
 - d. Operated on rails or crawler treads.
 - e. Designed solely for use off public roads while not on public roads.
 - f. Used only for use as a residence on premises.

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

COMMERCIAL AUTOMOBILE BROAD FORM ENDORSEMENT - TEXAS

This endorsement modifies insurance provided under the following:

BUSINESS AUTO COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by this endorsement.

1. EXTENDED CANCELLATION CONDITION

Paragraph 2 of the COMMON POLICY CONDITIONS - CANCELLATION OR NON-RENEWAL - applies except as follows:

If we cancel for any reason other than nonpayment of premium, we will mail or deliver to the first Named Insured written notice of cancellation at least 60 days before the effective date of cancellation.

2. BROAD FORM INSURED

A. The Named Insured shown in the Declarations is amended to include:

(1) Any legally incorporated subsidiary in which you own more than 50% of the voting stock on the effective date of the Coverage Form. However, the Named Insured does not include any subsidiary that is an "insured" under any other automobile policy or would be an "insured" under such a policy but for its termination or the exhaustion of its Limit of Insurance.

(2) Any organization that is acquired or formed by you and over which you maintain majority ownership. However, the Named Insured does not include any newly formed or acquired organization:

- (a) That is a joint venture or partnership,
- (b) That is an "insured" under any other policy,
- (c) That has exhausted its Limit of Insurance under any other policy, or

(d) 180 days or more after its acquisition or formation by you, unless you have given us notice of the acquisition or formation.

Coverage does not apply to "bodily injury" or "property damage" that results from an accident that occurred before you formed or acquired the organization.

B. Paragraph A.1 - WHO IS AN INSURED - of SECTION II - LIABILITY COVERAGE is amended to add:

d. Any employee of yours while using a covered "auto" you don't own, hire or borrow in your business or your personal affairs.

3. LIABILITY COVERAGE EXTENSIONS - SUPPLEMENTARY PAYMENTS

Paragraph A.2.a. - Supplementary Payments - of SECTION II - LIABILITY COVERAGE is amended as follows:

The reference to \$250 for the cost of bail bonds is replaced by \$1000 and the reference to \$100 per day for all reasonable expenses is replaced by \$250 per day.

4. AMENDED FELLOW EMPLOYEE EXCLUSION

EXCLUSION 5 - FELLOW EMPLOYEE - of SECTION II - LIABILITY COVERAGE does not apply if (1) you have workers' compensation insurance in-force covering all of your employees; and (2) the "bodily injury" results from the use of a covered "auto" you own or hire. Coverage is excess over any other collectible insurance.

5. HIRED AUTO PHYSICAL DAMAGE COVERAGE

If hired "autos" are covered "autos" for Liability Coverage and if Comprehensive, Specified Causes of Loss, or Collision coverages are provided under this Coverage Form for any "auto" you own, then the Physical Damage Coverages provided are extended to "autos" you hire, subject to the following limit.

The most we will pay for loss to any hired "auto" is \$35,000 or Actual Cash Value or Cost of Repair, whichever is smallest, minus a deductible. The deductible will be equal to the largest deductible applicable to any owned "auto" for that coverage. No deductible applies to "loss" caused by fire or lightning. Hired Auto Physical Damage coverage is excess over any other collectible insurance. Subject to the above limit, deductible and excess provisions, we will provide coverage equal to the broadest coverage applicable to any covered "auto" you own.

We will also cover loss of use of the hired "auto" if it results from an accident, you are legally liable and the lessor incurs an actual financial loss, subject to a maximum of \$500 per accident.

6. PHYSICAL DAMAGE - ADDITIONAL TRANSPORTATION EXPENSE COVERAGE

Paragraph A.4 of SECTION III - PHYSICAL DAMAGE COVERAGE is amended to provided a limit of \$50 per day and a maximum limit of \$1000.

7. AMENDED DUTIES IN THE EVENT OF ACCIDENT, CLAIM, SUIT OR LOSS

The requirement in LOSS CONDITIONS 2.a. - DUTIES IN THE EVENT OF ACCIDENT, CLAIM, SUIT OR LOSS - of SECTION IV - BUSINESS AUTO CONDITIONS that you must notify us of an "accident" applies only when the "accident" is known to:

- (1) You, if you are an individual
- (2) A partner, if you are a partnership; or
- (3) An executive officer or insurance manager, if you are a corporation.

8. HIRED AUTO - COVERAGE TERRITORY

The definition of coverage territory in GENERAL CONDITIONS 7. - POLICY PERIOD, COVERAGE TERRITORY - of SECTION IV - BUSINESS AUTO CONDITIONS is amended to add:

- e. For short-term hired "autos", the coverage territory is anywhere in the world provided that if the insured's responsibility to pay damages for "bodily injury" or "property damage" is determined in a "suit," the "suit" is brought in the territory described in Paragraph A. of this Condition.

9. GLASS REPAIR - WAIVER OF DEDUCTIBLE

Under Paragraph D - DEDUCTIBLE - of SECTION III - PHYSICAL DAMAGE COVERAGE, the following is added:

No deductible applies to glass damage if the glass is repaired rather than replaced.

10. AIRBAG COVERAGE

Under Paragraph B. EXCLUSIONS - of SECTION III - PHYSICAL DAMAGE COVERAGE, the following is added:

The exclusion relating to mechanical breakdown does not apply to the accidental discharge of an air bag.

11. SOUND RECEIVING AND REPRODUCING EQUIPMENT - BROADENED COVERAGE

Under Paragraph B. - EXCLUSIONS - of SECTION III - PHYSICAL DAMAGE COVERAGE, the exclusion as it relates to sound receiving or reproducing equipment does not apply to sound receiving or reproducing equipment that is permanently installed in a covered "auto".

12. EXTRA EXPENSE - BROADENED COVERAGE

Under Paragraph A. - COVERAGE - of SECTION III - PHYSICAL DAMAGE COVERAGE, we will pay for the expense of returning a stolen covered "auto" to you.

13. TWO OR MORE DEDUCTIBLES

Under Paragraph D. - DEDUCTIBLE - of SECTION III - PHYSICAL DAMAGE COVERAGE, the following is added:

If another Hartford Insurance Group company policy or coverage form that is not an automobile policy or coverage form applies to the same accident, the following applies:

1. If the deductible under this Business Auto Coverage Form is the smaller (or smallest) deductible, it will be waived;
2. If the deductible under this Business Auto Coverage Form is not the smaller (or smallest) deductible, it will be reduced by the amount of the smaller (or smallest) deductible.

BUSINESS AUTO COVERAGE FORM

Various provisions in this policy restrict coverage. Read the entire policy carefully to determine rights, duties and what is and is not covered.

Throughout this policy the words "you" and "your" refer to the Named Insured shown in the Declarations. The words "we", "us" and "our" refer to the Company providing this insurance.

Other words and phrases that appear in quotation marks have special meaning. Refer to SECTION V — DEFINITIONS.

SECTION I — COVERED AUTOS

ITEM TWO of the Declarations shows the "autos" that are covered "autos" for each of your coverages. The following numerical symbols describe the "autos" that may be covered "autos." The symbols entered next to a coverage on the Declarations designate the only "autos" that are covered "autos."

A. DESCRIPTION OF COVERED AUTO DESIGNATION SYMBOLS

SYMBOL	DESCRIPTION
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1 = ANY "AUTO."

2 = OWNED "AUTOS" ONLY. Only those "autos" you own (and for Liability Coverage any "trailers" you don't own while attached to power units you own). This includes those "autos" you acquire ownership of after the policy begins.

3 = OWNED PRIVATE PASSENGER "AUTOS" ONLY. Only the private passenger "autos" you own. This includes those private passenger "autos" you acquire ownership of after the policy begins.

4 = OWNED "AUTOS" OTHER THAN PRIVATE PASSENGER "AUTOS" ONLY. Only those "autos" you own that are not of the private passenger type (and for Liability Coverage any "trailers" you don't own while attached to power units you own). This includes those "autos" not of the private passenger type you acquire ownership of after the policy begins.

5 = OWNED "AUTOS" SUBJECT TO NO-FAULT. Only those "autos" you own that are required to have No-Fault benefits in the state where they are licensed or principally garaged. This includes those "autos" you acquire ownership of after the policy begins provided they are required to have No-Fault benefits in the state where they are licensed or principally garaged.

6 = OWNED "AUTOS" SUBJECT TO A COMPULSORY UNINSURED MOTORISTS LAW. Only those "autos" you own that because of the law in the state where they are licensed or principally garaged are required to have and cannot reject Uninsured Motorists Coverage. This includes those "autos" you acquire ownership of after the policy begins provided they are subject to the same state uninsured motorists requirement.

7 = SPECIFICALLY DESCRIBED "AUTOS." Only those "autos" described in ITEM THREE of the Declarations for which a premium charge is shown (and for Liability Coverage any "trailers" you don't own while attached to any power unit described in ITEM THREE).

8 = HIRED "AUTOS" ONLY. Only those "autos" you lease, hire, rent or borrow. This does not include any "auto" you lease, hire, rent, or borrow from any of your employees or partners or members of their households.

9 = NONOWNED "AUTOS" ONLY. Only those "autos" you do not own, lease, hire, rent, or borrow that are used in connection with your business. This includes "autos" owned by your employees or partners or members of their households but only while used in your business or your personal affairs.

B. OWNED AUTOS YOU ACQUIRE AFTER THE POLICY BEGINS

1. If symbols, 1, 2, 3, 4, 5, or 6 are entered next to a coverage in ITEM TWO of the Declarations, then you have coverage for "autos" that you acquire of the type described for the remainder of the policy period.

2. But, if symbol 7 is entered next to a coverage in

ITEM TWO of the Declarations, an "auto" you acquire will be a covered "auto" for that coverage only if:

- a. We already cover all "autos" that you own for that coverage or it replaces an "auto" you previously owned that had that coverage; and
- b. You tell us within 30 days after you acquire it that you want to cover it for that coverage.

C. CERTAIN TRAILERS, MOBILE EQUIPMENT AND TEMPORARY SUBSTITUTE AUTOS

If Liability Coverage is provided by this Coverage Form, the following types of vehicles are also covered "autos" for Liability Coverage without specific description:

1. "Trailers" with a load capacity of 2,000 pounds

or less designed primarily for travel on public roads.

2. "Trailers" designed for use with and being pulled by a private passenger "auto," pickup or van if the trailer is not customarily used for business purposes with another type "auto."
3. "Mobile equipment" while being carried or towed by a covered auto.
4. Any "auto" you do not own while used with the permission of its owner as a temporary substitute for a covered "auto" you own that is out of service because of its:
 - a. Breakdown;
 - b. Repair;
 - c. Servicing;
 - d. "Loss;" or
 - e. Destruction.

SECTION II — LIABILITY COVERAGE

A. COVERAGE

We will pay all sums an "insured" legally must pay as damages because of "bodily injury" or "property damage" to which this insurance applies, caused by an "accident" and resulting from the ownership, maintenance or use of a covered "auto."

We have the right and duty to defend any "suit" asking for these damages. However, we have no duty to defend "suits" for "bodily injury" or "property damage" not covered by this Coverage Form. We may investigate and settle any claim or "suit" as we consider appropriate. Our duty to defend or settle ends when the Liability Coverage Limit of Insurance has been exhausted by payment of judgments or settlements.

1. WHO IS AN INSURED

The following are "insureds:"

- a. You for any covered "auto."
- b. Anyone else while using with your permission a covered "auto" you own, hire or borrow except:
 - (1) The owner of a covered "auto" you hire or borrow from one of your employees or a member of his or her household.
 - (2) Someone using a covered "auto" while he or she is working in a business of selling, servicing, repairing or parking "autos" unless that business is yours.
 - (3) Anyone other than your employees, partners, a lessee or borrower or any of their employees, while moving property

to or from a covered "auto."

- (4) A partner of yours for a covered "auto" owned by him or her or a member of his or her household.

- c. Anyone liable for the conduct of an "insured" described above but only to the extent of that liability. However, the owner or anyone else from whom you hire or borrow a covered "auto" is an "insured" only if that "auto" is a "trailer" connected to a covered "auto" you own.

2. COVERAGE EXTENSIONS

- a. Supplementary Payments. In addition to the Limit of Insurance, we will pay for the "insured:"
 - (1) All expenses we incur.
 - (2) Up to \$250 for cost of bail bonds (including bonds for related traffic law violations) required because of an "accident" we cover. We do not have to furnish these bonds.
 - (3) The cost of bonds to release attachments in any "suit" we defend, but only for bond amounts within our Limit of Insurance.
 - (4) All reasonable expenses incurred by the "insured" at our request, including actual loss of earnings up to \$100 a day because of time off from work.
 - (5) All costs taxed against the "insured" in any "suit" we defend.

(6) All interest on the full amount of any judgment that accrues after entry of the judgment in any "suit" we defend; but our duty to pay interest ends when we have paid, offered to pay or deposited in court the part of the judgment that is within our Limit of Insurance.

b. Out of State Coverage Extensions.

While a covered "auto" is away from the state where it is licensed we will:

- (1) Increase the Limit of Insurance for Liability Coverage to meet the limit or limits specified by a compulsory or financial responsibility law in the jurisdiction where the covered "auto" is being used.
- (2) Provide the minimum amounts and types of other coverages, such as no-fault, required of out of state vehicles by the jurisdiction where the covered "auto" is being used.

We will not pay anyone more than once for the same elements of loss because of these extensions.

B. EXCLUSIONS

This insurance does not apply to any of the following:

1. EXPECTED OR INTENDED INJURY

"Bodily injury" or "property damage" expected or intended from the standpoint of the "insured."

2. CONTRACTUAL

Liability assumed under any contract or agreement.

But this exclusion does not apply to liability for damages:

- a. Assumed in a contract or agreement that is an "insured contract;" or
- b. That the "insured" would have in the absence of the contract or agreement.

3. WORKERS COMPENSATION

Any obligation for which the "insured" or the "insured's" insurer may be held liable under any workers compensation, disability benefits or unemployment compensation law or any similar law.

4. EMPLOYEE INDEMNIFICATION AND EMPLOYER'S LIABILITY

"Bodily injury" to:

- a. An employee of the "insured" arising out of

and in the course of employment by the "insured;" or

- b. The spouse, child, parent, brother or sister of that employee as a consequence of paragraph a. above.

This exclusion applies:

- (1) Whether the "insured" may be liable as an employer or in any other capacity; and
- (2) To any obligation to share damages with or repay someone else who must pay damages because of the injury.

But this exclusion does not apply to "bodily injury" to domestic employees not entitled to workers compensation benefits or to liability assumed by the "insured" under an "insured contract."

5. FELLOW EMPLOYEE

"Bodily injury" to any fellow employee of the "insured" arising out of and in the course of the fellow employee's employment.

6. CARE, CUSTODY OR CONTROL

"Property damage" to property owned or transported by the "insured" or in the "insured's" care, custody or control. But this exclusion does not apply to liability assumed under a sidetrack agreement.

7. HANDLING OF PROPERTY

"Bodily injury" or "property damage" resulting from the handling of property:

- a. Before it is moved from the place where it is accepted by the "insured" for movement into or onto the covered "auto;" or
- b. After it is moved from the covered "auto" to the place where it is finally delivered by the "insured."

8. MOVEMENT OF PROPERTY BY MECHANICAL DEVICE

"Bodily injury" or "property damage" resulting from the movement of property by a mechanical device (other than a hand truck) unless the device is attached to the covered "auto."

9. OPERATIONS

"Bodily injury" or "property damage" arising out of the operation of any equipment listed in paragraphs 6.b. and 6.c. of the definition of "mobile equipment."

10. COMPLETED OPERATIONS

"Bodily injury" or "property damage" arising out of your work after that work has been completed or abandoned.

In this exclusion, your work means:

- a. Work or operations performed by you or on your behalf; and
- b. Materials, parts or equipment furnished in connection with such work or operations.

Your work includes warranties or representations made at any time with respect to the fitness, quality, durability or performance of any of the items included in paragraphs a. or b. above.

Your work will be deemed completed at the earliest of the following times:

- (1) When all of the work called for in your contract has been completed.
- (2) When all of the work to be done at the site has been completed if your contract calls for work at more than one site.
- (3) When that part of the work done at a job site has been put to its intended use by any person or organization other than another contractor or subcontractor working on the same project.

Work that may need service, maintenance, correction, repair or replacement, but which is otherwise complete, will be treated as completed.

11. POLLUTION

- a. "Bodily injury" or "property damage" arising out of the actual, alleged or threatened discharge, dispersal, release or escape of pollutants;

- (1) That are, or that are contained in any property that is:
 - (a) Being transported or towed by, or handled for movement into, onto or from, the covered "auto;"
 - (b) Otherwise in the course of transit; or
 - (c) Being stored, disposed of, treated or processed in or upon the covered "auto;"

- (2) Before the pollutants or any property in which the pollutants are contained are moved from the place where they are accepted by the "insured" for movement into or onto the covered "auto;" or
- (3) After the pollutants or any property in which the pollutants are contained are moved from the covered "auto" to the place where they are finally delivered,

disposed of or abandoned by the "insured."

Paragraph a.(1)(c) does not apply to fuels, lubricants, fluids, exhaust gases or other similar pollutants that are needed for or result from the normal electrical, hydraulic or mechanical functioning of the covered "auto" or its parts, if:

- (1) The pollutants escape or are discharged, dispersed or released directly from an "auto" part designed by its manufacturer to hold, store, receive or dispose of such pollutants; and
- (2) The "bodily injury" or "property damage" does not arise out of the operation of any equipment listed in paragraphs 6.b. and 6.c. of the definition of "mobile equipment."

Paragraphs a.(2) and a.(3) of this exclusion do not apply if:

- (1) the pollutants or any property in which the pollutants are contained are upset, overturned or damaged as a result of the maintenance or use of a covered "auto;" and
 - (2) the discharge, dispersal, release or escape of the pollutants is caused directly by such upset, overturn or damage.
- b. Any loss, cost or expense arising out of any governmental direction or request that you test for, monitor, clean up, remove, contain, treat, detoxify or neutralize pollutants.

Pollutants means any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals, and waste. Waste includes materials to be recycled, reconditioned or reclaimed.

12. WAR

"Bodily injury" or "property damage" due to war, whether or not declared, or any act or condition incident to war. War includes civil war, insurrection, rebellion or revolution. This exclusion applies only to liability assumed under a contract or agreement.

C. LIMIT OF INSURANCE

If separate limits of insurance for "bodily injury" and "property damage" liability are shown in the Schedule or in the Declarations for this coverage regardless of the number of covered "autos," "insureds," premiums paid, claims made or vehicles involved in the "accident," the limit of insurance is as follows:

1. The most we will pay for all damages resulting from "bodily injury" to any one person caused by any one "accident" is the limit of Bodily Injury

Liability shown in the Schedule or in the Declarations for each person.

2. Subject to the limit for each person, the most we will pay for all damages resulting from "bodily injury" caused by any one "accident" is the limit of Bodily Injury Liability shown in the Schedule or in the Declarations for each "accident."
3. The most we will pay for all damages resulting from "property damage" caused by any one "accident" is the limit of Property Damage Liability shown in the Schedule or in the Declarations.

If the limit of insurance shown in the Schedule or in the Declarations for this coverage is for combined "bodily injury" and "property damage" liability regardless of the number of covered "autos," "insureds," premiums paid, claims made or vehicles involved in the "accident," the most we will pay for all damages resulting from any one "accident" is the Limit of Insurance for Liability Coverage shown in the Schedule or in the Declarations.

All "bodily injury" and "property damage" resulting from continuous or repeated exposure to substantially the same conditions will be considered as resulting from one "accident."

SECTION III — PHYSICAL DAMAGE COVERAGE

A. COVERAGE

1. We will pay for "loss" to a covered "auto" or its equipment under:
 - a. Comprehensive Coverage. From any cause except:
 - (1) The covered "auto's" collision with another object; or
 - (2) The covered "auto's" overturn.
 - b. Specified Causes of Loss Coverage. Caused by:
 - (1) Fire, lightning or explosion;
 - (2) Theft;
 - (3) Windstorm, hail or earthquake;
 - (4) Flood;
 - (5) Mischief or vandalism; or
 - (6) The sinking, burning, collision or derailment of any conveyance transporting the covered "auto."
 - c. Collision Coverage. Caused by:
 - (1) The covered "auto's" collision with another object; or
 - (2) The covered "auto's" overturn.
2. Towing.

We will pay up to the limit shown in the Declarations for towing and labor costs incurred each time a covered "auto" of the private passenger type is disabled. However, the labor must be performed at the place of disablement.

3. Glass Breakage — Hitting a Bird or Animal — Falling Objects or Missiles.

We will pay for glass breakage "loss" caused by hitting a bird or animal or by falling objects or missiles under Comprehensive Coverage if you carry Comprehensive Coverage for the damaged covered "auto." However, you have the option of having glass breakage caused by a

covered "auto's" collision or overturn or if "loss" is caused by contact with a bird or animal, considered a "loss" caused by collision.

4. Coverage Exclusion. We will also pay up to \$20 per day to a maximum of \$600 for transportation expense incurred by you because of the total theft of a covered "auto" of the private passenger type. We will pay only for those covered "autos" for which you carry either Comprehensive or Specified Causes of Loss or Theft Coverage. We will pay for transportation expenses incurred during the period beginning 48 hours after the theft and ending, regardless of the policy's expiration, when the covered "auto" is returned to use or we pay for its "loss."

B. EXCLUSIONS

1. We will not pay for "loss" caused by or resulting from any of the following. Such "loss" is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the "loss."
 - a. Nuclear Hazard.
 - (1) The explosion of any weapon employing atomic fission or fusion; or
 - (2) Nuclear reaction or radiation, or radioactive contamination, however caused.
 - b. War or Military Action
 - (1) War, including undeclared or civil war;
 - (2) Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
 - (3) Insurrection, rebellion, revolution, usurped power or action taken by governmental authority in hindering or de-

fending against any of these.

2. Other Exclusions.

a. We will not pay for "loss" to any of the following:

- (1) Stereos, radios, tape decks or other sound reproducing equipment unless permanently installed in a covered "auto."
- (2) Tapes, records or other sound reproducing devices designed for use with sound reproducing equipment.
- (3) Sound receiving equipment designed for use as a citizens' band radio, two-way mobile radio or telephone or scanning monitor receiver, including its antennas and other accessories, unless permanently installed in the dash or console opening normally used by the "auto" manufacturer for the installation of a radio.
- (4) "Loss" to any custom furnishings or equipment in or upon any pickup, van or motorhome.

Custom furnishings or equipment include but are not limited to:

- a. Special carpeting and insulation, furniture, bars or television receivers;
- b. Facilities for cooking and sleeping;
- c. Height-extending roofs; or
- d. Custom murals, paintings or other decals or graphics.

This exclusion does not apply if the value of the custom furnishings or equipment has been reported to us prior to a "loss" and included in the premium for this coverage.

(5) When in or upon any motorhome or "trailer," "loss" to:

- a. TV antennas;
- b. Awnings or cabanas; or

c. Equipment designed to create additional living facilities.

(6) "Loss" to any device or instrument used for detection of radar or other speed measuring equipment.

(7) "Loss" due to or as a consequence of a seizure of a covered "auto" by federal or state law enforcement officers as evidence in a case against you under the Texas Controlled Substances Act or the federal Controlled Substances Act if you are convicted in such case.

b. We will not pay for "loss" caused by or resulting from any of the following unless caused by other "loss" that is covered by this insurance:

- (1) Wear and tear, freezing, mechanical or electrical breakdown.
- (2) Blowouts, punctures or other road damage to tires.

C. LIMIT OF INSURANCE

The most we will pay for "loss" in any one "accident" is the smallest of the following amounts:

1. The amount stated in the declarations of the policy.
2. The actual cash value of the damaged or stolen property at the time of the "loss."
3. The cost of repairing or replacing the damaged or stolen property with other of like kind or quality.

However, the most we will pay for stereos, radios, tape decks or other sound reproducing equipment (excluding citizen band radio, two-way mobile radio, or telephone or scanning monitor receiver) is \$1500.

D. DEDUCTIBLE

For each covered "auto," our obligation to pay for, repair, return or replace damaged or stolen property will be reduced by the applicable deductible shown in the Declarations.

SECTION IV — BUSINESS AUTO CONDITIONS

The following conditions apply in addition to the Common Policy Conditions:

A. LOSS CONDITIONS

1. APPRAISAL FOR PHYSICAL DAMAGE LOSS

If you and we disagree on the amount of "loss," either may demand an appraisal of the "loss." In this event, each party will select a competent appraiser. The two appraisers will select a competent and impartial umpire. The apprais-

ers will state separately the actual cash value and amount of "loss." If they fail to agree, they will submit their differences to the umpire. A decision agreed to by any two will be binding. Each party will:

- a. Pay its chosen appraiser; and
- b. Bear the other expenses of the appraisal and umpire equally.

If we submit to an appraisal, we will still retain our right to deny the claim.

2. DUTIES IN THE EVENT OF ACCIDENT, CLAIM, SUIT OR LOSS

- a. In the event of "accident," claim, "suit" or "loss," you must give us or our authorized representative prompt notice of the "accident" or "loss." Include:
- (1) How, when and where the "accident" or "loss" occurred;
 - (2) The "insured's" name and address; and
 - (3) To the extent possible, the names and addresses of any injured persons and witnesses.
- If we show that your failure to provide notice prejudices our defense, there is no liability coverage under the policy.
- b. Additionally, you and any other involved "insured" must:
- (1) Assume no obligation, make no payment or incur no expense without our consent, except at the "insured's" own cost.
 - (2) Immediately send us copies of any demand, notice, summons or legal paper received concerning the claim or "suit."
 - (3) Cooperate with us in the investigation, settlement or defense of the claim or "suit."
 - (4) Authorize us to obtain medical records or other pertinent information.
 - (5) Submit to examination, at our expense, by physicians of our choice, as often as we reasonably require.
- c. If there is "loss" to a covered "auto" or its equipment you must also do the following:
- (1) Promptly notify the police if the covered "auto" or any of its equipment is stolen.
 - (2) Take all reasonable steps to protect the covered "auto" from further damage. Also keep a record of your expenses for consideration in the settlement of the claim.
 - (3) Permit us to inspect the covered "auto" and records proving the "loss" before its repair or disposition.
 - (4) Agree to examinations under oath at our request and give us a signed statement of your answers.
- d. When required by us:
- (1) submit a sworn proof of "loss";
 - (2) submit to examination under oath.
- e. Within 15 days after we receive your written notice of claim, we must:

- (1) Acknowledge receipt of the claim.

If our acknowledgment of the claim is not in writing, we will keep a record of the date, method and content of our acknowledgment.

- (2) Begin any investigation of the claim.
- (3) Specify the information you must provide in accordance with paragraph b. above.

We may request more information, if during the investigation of the claim such additional information is necessary.

- f. After we receive the information we request, we must notify you in writing whether the claim will be paid or has been denied or whether more information is needed:

- (1) Within 15 "business days;" or
- (2) Within 30 days if we have reason to believe the loss resulted from arson.

- g. If we do not approve payment of your claim or require more time for processing your claim, we must:

- (1) Give the reasons for denying your claim, or
- (2) Give the reasons we require more time to process your claim. But, we must either approve or deny your claim within 45 days after our requesting more time.

- h. In the event of a weather-related catastrophe or major natural disaster, as defined by the Texas Department of Insurance, the claim-handling deadlines as stated above are extended for an additional 15 days.

i. Loss Payment

- (1) If we notify you that we will pay your claim, or part of your claim, we must pay within 5 "business days" after we notify you.
- (2) If payment of your claim or part of your claim requires the performance of an act by you, we must pay within 5 "business days" after the date you perform the act.

j. Notice of Settlement of Liability Claim

- (1) We will notify you in writing of any initial offer to compromise or settle a claim against you under the liability section of this policy. We will give you notice within 10 days after the date the offer is made.
- (2) We will notify you in writing of any settlement of a claim against you under the liability section of this policy. We will give you notice within 30 days after the date of the settlement.

3. LEGAL ACTION AGAINST US

No one may bring a legal action against us under this Coverage Form until:

- a. There has been full compliance with all the terms of this Coverage Form; and
- b. Under Liability Coverage, we agree in writing that the "insured" has no obligation to pay or until the amount of that obligation has finally been determined by judgment after trial. No one has the right under this policy to bring us into an action to determine the "insured's" liability.

4. LOSS PAYMENT — PHYSICAL DAMAGE COVERAGES

At our option we may:

- a. Pay for, repair or replace damaged or stolen property;
- b. Return the stolen property, at our expense. We will pay for any damage that results to the "auto" from the theft; or
- c. Take all or any part of the damaged or stolen property at an agreed or appraised value.

5. TRANSFER OF RIGHTS OF RECOVERY AGAINST OTHERS TO US

If any person or organization to or for whom we make payment under this Coverage Form has rights to recover damages from another, those rights are transferred to us. That person or organization must do everything necessary to secure our rights and must do nothing after "accident" or "loss" to impair them.

B. GENERAL CONDITIONS**1. BANKRUPTCY**

Bankruptcy or insolvency of the "insured" or the "insured's" estate will not relieve us of any obligations under this Coverage Form.

2. CONCEALMENT, MISREPRESENTATION OR FRAUD

This Coverage Form is void in any case of fraud by you relating to it. It is also void if you intentionally conceal or misrepresent a material fact concerning:

- a. This Coverage Form;
- b. The covered "auto;" or
- c. Your interest in the covered "auto."

3. LIBERALIZATION

If we revise this Coverage Form to provide more coverage without additional premium charge, your policy will automatically provide the additional coverage as of the day the revision is effective in your state.

4. NO BENEFIT TO BAILEE — PHYSICAL DAMAGE COVERAGES

We will not recognize any assignment or grant any coverage for the benefit of any person or organization holding, storing or transporting property for a fee regardless of any other provision of this Coverage Form.

5. OTHER INSURANCE

- a. For any covered "auto" you own, this Coverage Form provides primary insurance. For any covered "auto" you don't own, the insurance provided by this Coverage Form is excess over any other collectible insurance. However, while a covered "auto" which is a "trailer" is connected to another vehicle, the Liability Coverage this Coverage Form provides for the "trailer" is:

(1) Excess while it is connected to a motor vehicle you do not own.

(2) Primary while it is connected to a covered "auto" you own.

- b. Regardless of the provisions of paragraph a. above, this Coverage Form's Liability Coverage is primary for any liability assumed under an "insured contract."

- c. When this Coverage Form and any other Coverage Form or policy covers on the same basis, either excess or primary, we will pay only our share. Our share is the proportion that the Limit of Insurance of our Coverage Form bears to the total of the limits of all the Coverage Forms and policies covering on the same basis.

6. PREMIUM AUDIT

- a. The estimated premium for this Coverage Form is based on the exposures you told us you would have when this policy began. We will compute the final premium due when we determine your actual exposures. The estimated total premium will be credited against the final premium due and the first Name Insured will be billed for the balance, if any. If the estimated total premium exceeds the final premium due, the first Named Insured will get a refund.

- b. If this policy is issued for more than one year, the premium for this Coverage Form will be computed annually based on our rates or premiums in effect at the beginning of each year of the policy.

7. POLICY PERIOD, COVERAGE TERRITORY

Under this Coverage Form, we cover "accidents" and "losses" occurring:

- a. During the policy period shown in the Declarations; and
- b. Within the coverage territory.

The coverage territory is:

- a. The United States of America;
- b. The territories and possessions of the United States of America;
- c. Puerto Rico; and
- d. Canada.

We also cover "loss" to, or "accidents" involving, a covered "auto" while being transported

between any of these places.

8. TWO OR MORE COVERAGE FORMS OR POLICIES ISSUED BY US

If this Coverage Form and any other Coverage Form or policy issued to you by us or any company affiliated with us apply to the same "accident," the aggregate maximum Limit of Insurance under all the Coverage Forms or policies shall not exceed the highest applicable Limit of Insurance under any one Coverage Form or policy. This condition does not apply to any Coverage Form or policy issued by us or an affiliated company specifically to apply as excess insurance over this Coverage Form.

SECTION V — DEFINITIONS

- A. "Accident" includes continuous or repeated exposure to the same conditions resulting in "bodily injury" or "property damage."
- B. "Auto" means a land motor vehicle, trailer or semi-trailer designed for travel on public roads but does not include "mobile equipment."
- C. "Bodily injury" means bodily injury, sickness or disease sustained by a person including death resulting from any of these.
- D. "Insured" means any person or organization qualifying as an insured in the Who Is An Insured provision of the applicable coverage. Except with respect to the Limit of Insurance, the coverage afforded applies separately to each insured who is seeking coverage or against whom a claim or "suit" is brought.
- E. "Insured contract" means:
 1. A lease of premises;
 2. A sidetrack agreement;
 3. An easement or license agreement in connection with vehicle or pedestrian private railroad crossings at grade;
 4. Any other easement agreement, except in connection with construction or demolition operations on or within 50 feet of a railroad;
 5. An indemnification of a municipality as required by ordinance, except in connection with work for a municipality;
 6. That part of any contract or agreement entered into as part of your business, by you or any of your employees pertaining to the rental or lease of any auto; or
 7. That part of any other contract or agreement pertaining to your business under which you assume the tort liability of another to pay damages because of "bodily injury" or "property

damage" to a third person or organization, if the contract or agreement is made prior to the "bodily injury" or "property damage." Tort liability means a liability that would be imposed by law in the absence of any contract or agreement.

An "insured contract" does not include that part of any contract or agreement:

1. That pertains to the loan, lease or rental of an "auto" to you or any of your employees, if the "auto" is loaned, leased or rented with a driver; or
 2. That holds a person or organization engaged in the business of transporting property by "auto" for hire harmless for your use of a covered "auto" over a route or territory that person or organization is authorized to serve by public authority.
- F. "Loss" means direct and accidental "loss" or damage.
 - G. "Mobile equipment" means any of the following types of land vehicles, including any attached machinery or equipment:
 1. Bulldozers, farm machinery, forklifts and other vehicles designed for use principally off public roads;
 2. Vehicles maintained for use solely on or next to premises you own or rent;
 3. Vehicles that travel on crawler treads;
 4. Vehicles, whether self-propelled or not, maintained primarily to provide mobility to permanently mounted:
 - a. Power cranes, shovels, loaders, diggers or drills; or
 - b. Road construction or resurfacing equipment such as graders, scrapers or rollers.

5. Vehicles not described in paragraphs 1, 2, 3, or 4 above that are not self-propelled and are maintained primarily to provide mobility to permanently attached equipment of the following types:
 - a. Air compressors, pumps and generators, including spraying, welding, building cleaning, geo-physical exploration, lighting and well servicing equipment; or
 - b. Cherry pickers and similar devices used to raise or lower workers.
 6. Vehicles not described in paragraphs 1, 2, 3, or 4 above maintained primarily for purposes other than the transportation of persons or cargo. However, self-propelled vehicles with the following types of permanently attached equipment are not "mobile equipment" but will be considered "autos:"
 - a. Equipment designed primarily for:
 - (1) Snow removal;
 - (2) Road maintenance, but not construction or resurfacing; or
 - (3) Street cleaning;
 - b. Cherry pickers and similar devices mounted on automobile or truck chassis and used to raise or lower workers; and
 - c. Air compressors, pumps and generators, including spraying, welding, building cleaning, geo-physical exploration, lighting or well servicing equipment.
- H. "Property damage" means damage to or "loss" of use of tangible property.
- I. "Suit" means a civil proceeding in which damages because of "bodily injury" or "property damages" to which this insurance applies are alleged. "Suit" includes an arbitration proceeding alleging such damages to which you must submit or submit with our consent.
- J. "Trailer" includes semitrailer.
- K. "Business day" means a day other than a Saturday, Sunday or holiday recognized by the state of Texas.

POLICY FACE SHEET

45

81 INSURER:

TU HARTFORD INSURANCE GROUP

UEC

POLICY NO.: 65 UEC TU8145 SC

COMMON POLICY DECLARATIONS

ITEM

1. NAMED INSURED AND

MAILING ADDRESS:

BORDER STATES TRAFFIC SUPPLY, INC
1138 KASTRIN

EL PASO TX 79907

(EL PASO COUNTY)

2. POLICY PERIOD:

FROM 04/10/05 TO 04/10/06

3. AGENT'S OR BROKER'S CODE: 812584

RECORDS RETENTION - PERMANENT

AGENT'S OR BROKER'S NAME: TALBOT AGENCY INC.

PREVIOUS POLICY NO.: 65 UEC TU8145

4. AUDIT PERIOD:

5. NAMED INSURED IS: CORPORATION

6. DESCRIPTION OF YOUR BUSINESS: Street Or Road Paving Or Repaving, Surfa

AUTO COMPANY CODE: 3

SELECT CUSTOMER

POLICY STATUS: ACTIVE

LOB LEVEL OF SUPPORT: AUTO-S

DIRECT ACCOUNT BILL NUMBER: 11018752

DIR SING BILL - MONTHLY/1 MO DOWN: INSURED

AUTO LOSS PAYEE

AUTO LESSOR

MARKET SEGMENTATION - 140

SIC CODE - 1799

PREMIUM DISCOUNT

AUTOMATICALLY BOOKED

TRANS TYPE: RENL CNTL#: 001

FACE SHEET TERMINAL ID: R038R15S PAGE 1

04/05/05 65 UEC TU8145 SC (04/10/06)

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*2100065TU81450101

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UECTU8145-65200612/31/9999

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*BORDER STATES TRAFFIC SUPPLY, INC *

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TEXAS



POLICY NUMBER: 65 UEC TU8145 SC

ITEM ONE

NAMED INSURED AND MAILING ADDRESS: BORDER STATES TRAFFIC SUPPLY, INC
 1138 KASTRIN
 EL PASO TX 79907
 (EL PASO COUNTY)

POLICY PERIOD: From 04/10/05 To 04/10/06 at
 12:01 a.m., standard time at your mailing address shown above.

AUDIT PERIOD: ☐ Annual ☐ Semi-annual ☐ Quarterly ☐ Monthly

FORM OF BUSINESS: ☒ Corporation ☐ Partnership ☐ Individual ☐ Other

INSURANCE COMPANY AND ADDRESS

HARTFORD CASUALTY INSURANCE COMPANY
 HARTFORD PLAZA
 HARTFORD, CT 06115
 AGENT'S OR BROKER'S NAME TALBOT AGENCY INC.

In return for the payment of the premium, and subject to all the terms of this policy, we agree with you to provide insurance as stated in this policy.

Endorsements attached to this policy:

HT00230603	HT00130603	IH09850203	IL00210392		
HA00120200T	HT00200603	HT00010603	TE0401C	TE0409D	
HT99020296	TE0202A	TE0406B	TE0407B	TE2001A	
TE2046A	TE9901B	TE9941B	TE9960A	TE9978A	
TE9979A	IH12011185	IH12011185			

Countersigned _____ by _____
 (Date) (Authorized Representative)

ITEM TWO - SCHEDULE OF COVERAGES AND COVERED AUTOS

This policy provides only those coverages where a charge is shown in the premium column below. Each of these coverages will apply only to those autos shown as covered autos. Autos are shown as covered autos for a particular coverage by the entry of one or more of the symbols from the COVERED AUTO Section of the Business Auto Coverage Form next to the name of the coverage.

Coverages	Covered Autos	Limit The Most We Will Pay For Any One Accident Or Loss	Premium
LIABILITY (Combined Liability)	01	\$ 1,000,000 each accident	\$ [REDACTED]
PERSONAL INJURY PROTECTION	02	\$ 2500	\$ [REDACTED]
AUTO MEDICAL PAYMENTS		\$	
UNINSURED/UNDERINSURED MOTORISTS (Combined Liability)	02	\$ 1,000,000 each accident	\$ [REDACTED]
PHYSICAL DAMAGE		See ITEM FOUR for hired or borrowed autos	
COMPREHENSIVE COVERAGE	07	Actual Cash Value, Cost of Repair, or the Stated Amount shown in ITEM THREE, whichever is less, minus any deductible shown in ITEM THREE for each covered auto. No deductible applies to loss caused by fire or lightning.	\$ [REDACTED]
SPECIFIED CAUSES OF LOSS COVERAGE		Actual Cash Value, Cost of Repair, or the Stated Amount shown in ITEM THREE, whichever is smallest, minus \$25 deductible for each covered auto for loss caused by mischief or vandalism.	
COLLISION COVERAGE	07	Actual Cash Value, Cost of Repair, or the Stated Amount shown in ITEM THREE, whichever is smallest, minus any deductible shown in ITEM THREE for each covered auto.	\$ 1,051.00
TOWING AND LABOR		\$ for each disablement of a private passenger auto.	
PREMIUM FOR ENDORSEMENTS			\$ [REDACTED]
AUTOMOBILE THEFT PREVENTION AUTHORITY FEE			\$ [REDACTED]
TEXAS PREMIUM DISCOUNT			\$ [REDACTED]
ESTIMATED TOTAL PREMIUM			\$ [REDACTED]

ITEM THREE - SCHEDULE OF COVERED AUTOS YOU OWN

Applicable only if "Schedule of Covered Autos You Own" is issued to form a part of this Coverage Form.

ITEM FOUR - SCHEDULE OF HIRED OR BORROWED AUTO COVERAGE AND PREMIUMS**LIABILITY COVERAGE - RATING BASIS, COST OF HIRE.**

Cost of hire means the total amount you incur for the hire of autos you don't own (not including autos you borrow or rent from your partners or employees or their family members). Cost of hire does not include charges for services performed by motor carriers of property or passengers.

STATE	CLASSIFICATION	ESTIMATED COST OF HIRE	RATE PER EACH \$100 COST OF HIRE	PREMIUM
TEXAS	PPT	IF ANY		MP
TEXAS	TRK	IF ANY		MP

TOTAL PREMIUM

\$

PHYSICAL DAMAGE COVERAGE

COVERAGES	LIMIT OF INSURANCE THE MOST WE WILL PAY	ESTIMATED TOTAL AUTO/DAYS OF HIRED AUTOS	RATE	PREMIUM
COMPREHENSIVE	Actual Cash Value, cost of repairs or \$ whichever is less, minus deductible for each covered auto, but no deductible applies to loss caused by fire or lightning.			
SPECIFIED CAUSES OF LOSS	Actual Cash Value, cost of repairs or \$ whichever is less, minus deductible for each covered auto for loss caused by mischief or vandalism.			
COLLISION	Actual Cash Value, cost of repairs or \$ whichever is less, minus deductible for each covered auto.			

TOTAL PREMIUM

PHYSICAL DAMAGE COVERAGE for covered autos you hire or borrow is excess unless indicated below by "X".



If this box is marked, PHYSICAL DAMAGE COVERAGE applies on a direct primary basis and for purposes of the condition entitled OTHER INSURANCE, any covered auto you hire or borrow is deemed to be a covered auto you own.

ITEM FIVE - SCHEDULE FOR NON-OWNERSHIP LIABILITY

NAMED INSURED'S BUSINESS	RATING BASIS	NUMBER	PREMIUM
Other than a Social Service Agency	Number of Employees Number of Partners	8	\$
Social Service Agency	Number of Employees Number of Volunteers		

TOTAL PREMIUM

\$

SCHEDULE OF COVERED AUTOS YOU OWN **(ITEM THREE OF THE DECLARATIONS)**



POLICY NUMBER: 65 UEC TU8145

Absence, if any, of a limit entry below means that the limit entry shown in the corresponding ITEM TWO of the Declarations Limit Column applies instead.

NO. 00001 00 FORD F150 ID NO. 1FTZX1724YNB78234
 GARAGED: EL PASO TX TERR: 005 CLASS: 01499
 ORIG. COST NEW: \$ 25,000
 TAX LOC: ZIP CODE: 79907 RADIUS: L SIZE: 6000

COVERAGES: SEQ. NO. 00001

LIABILITY
 PERSONAL INJURY PROTECTION
 UNINSURED MOTORISTS
 COMPREHENSIVE \$ 1,000 DEDUCTIBLE
 COLLISION \$ 1,000 DEDUCTIBLE

PREMIUMS

\$ [REDACTED]
 \$ [REDACTED]
 \$ [REDACTED]
 \$ [REDACTED]
 \$ [REDACTED]

NO. 00002 01 CHEV SILVERADO ID NO. 1GCEC14W01Z101683
 GARAGED: EL PASO TX TERR: 005 CLASS: 01499
 ORIG. COST NEW: \$ 20,000
 TAX LOC: ZIP CODE: 79907 RADIUS: L SIZE: 10000

COVERAGES: SEQ. NO. 00002

LIABILITY
 PERSONAL INJURY PROTECTION
 UNINSURED MOTORISTS
 COMPREHENSIVE \$ 1,000 DEDUCTIBLE
 COLLISION \$ 1,000 DEDUCTIBLE

PREMIUMS

\$ [REDACTED]
 \$ [REDACTED]
 \$ [REDACTED]
 \$ [REDACTED]
 \$ [REDACTED]

NO. 00003 92 CHEV ID NO. 1GBGC24K2NE217948
 GARAGED: EL PASO TX TERR: 005 CLASS: 01499
 TAX LOC: ZIP CODE: 79907 RADIUS: L SIZE: 8600

COVERAGES: SEQ. NO. 00003

LIABILITY
 PERSONAL INJURY PROTECTION
 UNINSURED MOTORISTS

PREMIUMS

\$ [REDACTED]
 \$ [REDACTED]
 \$ [REDACTED]

SCHEDULE OF COVERED AUTOS YOU OWN
(ITEM THREE OF THE DECLARATIONS) (Continued)

POLICY NUMBER: 65 UEC TU8145

Absence, if any, of a limit entry below means that the limit entry shown in the corresponding ITEM TWO of the Declarations Limit Column applies instead.

NO. 00004 92 CHEV C2500 ID NO. 1GBGC24K8NE173941
 GARAGED: EL PASO TX TERR: 005 CLASS: 01499

TAX LOC: ZIP CODE: 79907 RADIUS: L SIZE: 8600

COVERAGES:	SEQ. NO. 00004	PREMIUMS
LIABILITY		\$ [REDACTED]
PERSONAL INJURY PROTECTION		\$ [REDACTED]
UNINSURED MOTORISTS		\$ [REDACTED]

NO. 00005 00 FORD F150 ID NO. 1FTZX1722YKB27560
 GARAGED: EL PASO TX TERR: 005 CLASS: 01499

ORIG. COST NEW: \$ 17,875

TAX LOC: ZIP CODE: 79907 RADIUS: L SIZE: 6000

COVERAGES:	SEQ. NO. 00005	PREMIUMS
LIABILITY		\$ [REDACTED]
PERSONAL INJURY PROTECTION		\$ [REDACTED]
UNINSURED MOTORISTS		\$ [REDACTED]
COMPREHENSIVE \$ 1,000 DEDUCTIBLE		\$ [REDACTED]
COLLISION \$ 1,000 DEDUCTIBLE		\$ [REDACTED]

NO. 00006 02 FORD F150 ID NO. 1FTRX17W32NA45247
 GARAGED: EL PASO TX TERR: 005 CLASS: 01499

ORIG. COST NEW: \$ 20,700

TAX LOC: ZIP CODE: 79907 RADIUS: L SIZE: 6000

COVERAGES:	SEQ. NO. 00007	PREMIUMS
LIABILITY		\$ [REDACTED]
PERSONAL INJURY PROTECTION		\$ [REDACTED]
UNINSURED MOTORISTS		\$ [REDACTED]
COMPREHENSIVE \$ 1,000 DEDUCTIBLE		\$ [REDACTED]
COLLISION \$ 1,000 DEDUCTIBLE		\$ [REDACTED]

SCHEDULE OF COVERED AUTOS YOU OWN
(ITEM THREE OF THE DECLARATIONS) (Continued)

POLICY NUMBER: 65 UEC TU8145

Absence, if any, of a limit entry below means that the limit entry shown in the corresponding ITEM TWO of the Declarations Limit Column applies instead.

NO. 00007 97 FORD F250 ID NO. 1FTHF26HXVEC00209
 GARAGED: EL PASO TX TERR: 005 CLASS: 01499

TAX LOC: ZIP CODE: 79907 RADIUS: L SIZE: 8600

COVERAGES: SEQ. NO. 00008 PREMIUMS
 LIABILITY \$ [REDACTED]
 PERSONAL INJURY PROTECTION \$ [REDACTED]
 UNINSURED MOTORISTS \$ [REDACTED]

NO. 00008 92 CHEV C2500 ID NO. 1GBGC24K8NE175284
 GARAGED: EL PASO TX TERR: 005 CLASS: 01499

TAX LOC: ZIP CODE: 79907 RADIUS: L SIZE: 8600

COVERAGES: SEQ. NO. 00012 PREMIUMS
 LIABILITY \$ [REDACTED]
 PERSONAL INJURY PROTECTION \$ [REDACTED]
 UNINSURED MOTORISTS \$ [REDACTED]

NO. 00009 02 BIG TE TRLR ID NO. 16VNX162921C54245
 GARAGED: EL PASO TX TERR: 005 CLASS: 68499

TAX LOC: ZIP CODE: 79907 RADIUS: L SIZE: 2000

COVERAGES: SEQ. NO. 00013 PREMIUMS
 LIABILITY \$ [REDACTED]
 PERSONAL INJURY PROTECTION \$ [REDACTED]
 UNINSURED MOTORISTS \$ [REDACTED]

NO. 00010 99 BIG TX TRLR ID NO. 16VNX1626X1C16480
 GARAGED: EL PASO TX TERR: 005 CLASS: 68499

TAX LOC: ZIP CODE: 79907 RADIUS: L SIZE: 2000

COVERAGES: SEQ. NO. 00014 PREMIUMS
 LIABILITY \$ [REDACTED]
 PERSONAL INJURY PROTECTION \$ [REDACTED]
 UNINSURED MOTORISTS \$ [REDACTED]

POLICY NUMBER: 65 UEC TU8145

Absence, if any, of a limit entry below means that the limit entry shown in the corresponding ITEM TWO of the Declarations Limit Column applies instead.

NO. 00011 05 FORD F350 ID NO. 1FDWF365X5EA01756
GARAGED: EL PASO TX TERR: 005 CLASS: 21499
ORIG. COST NEW: \$ 35,000 LOSS PAYEE NO. 1
TAX LOC: ZIP CODE: 79907 RADIUS: L SIZE: 11000

COVERAGES: SEQ. NO. 00017 PREMIUMS
LIABILITY \$
PERSONAL INJURY PROTECTION \$
UNINSURED MOTORISTS \$
COMPREHENSIVE \$ 1,000 DEDUCTIBLE \$
COLLISION \$ 1,000 DEDUCTIBLE \$

NO. 00012 05 FORD F350 ID NO. 1FDWF36515EA01757
GARAGED: EL PASO TX TERR: 005 CLASS: 21499
ORIG. COST NEW: \$ 35,000
LESSOR NO. 01
TAX LOC: ZIP CODE: 79907 RADIUS: L SIZE: 11000

COVERAGES: SEQ. NO. 00018 PREMIUMS
LIABILITY \$
PERSONAL INJURY PROTECTION \$
UNINSURED MOTORISTS \$
COMPREHENSIVE \$ 1,000 DEDUCTIBLE \$
COLLISION \$ 1,000 DEDUCTIBLE \$

NO. 00013- 05 FORD F250 ID NO. 1FTSW21Y05EA00470
GARAGED: EL PASO TX TERR: 005 CLASS: 01499
ORIG. COST NEW: \$ 38,446
TAX LOC: ZIP CODE: 79907 RADIUS: L SIZE: 8800

COVERAGES: SEQ. NO. 00019 PREMIUMS
LIABILITY \$
PERSONAL INJURY PROTECTION \$
UNINSURED MOTORISTS \$
COMPREHENSIVE \$ 1,000 DEDUCTIBLE \$
COLLISION \$ 1,000 DEDUCTIBLE \$

POLICY NUMBER: 65 UEC TU8145

Absence, if any, of a limit entry below means that the limit entry shown in the corresponding ITEM TWO of the Declarations Limit Column applies instead.

LOSS PAYEES

EXCEPT FOR TOWING, ALL PHYSICAL DAMAGE "LOSS" IS PAYABLE TO YOU AND THE
LOSS PAYEE NAMED BELOW AS INTERESTS MAY APPEAR AT THE TIME OF "LOSS."

1. PENSKI TRUCK LEASING
11451 CHITO SAMANIEGO
EL PASO

TX 79936



THIS ENDORSEMENT IS ATTACHED TO AND MADE PART OF YOUR POLICY IN RESPONSE TO THE DISCLOSURE REQUIREMENTS OF THE TERRORISM RISK INSURANCE ACT OF 2002. THIS ENDORSEMENT DOES NOT GRANT ANY COVERAGE OR CHANGE THE TERMS AND CONDITIONS OF ANY COVERAGE UNDER THE POLICY.

DISCLOSURE PURSUANT TO TERRORISM RISK INSURANCE ACT OF 2002

TERRORISM PREMIUM (CERTIFIED ACTS)

Coverage:	Premium (If Covered):
AUTO	\$ [REDACTED]
TOTAL	\$ [REDACTED]

A. Disclosure Of Premium

In accordance with the federal Terrorism Risk Insurance Act of 2002, we are required to provide you with a notice disclosing the portion of your premium, if any, attributable to coverage for terrorist acts certified under that Act. The portion of your premium attributable to such coverage is shown above in this endorsement.

B. Disclosure Of Federal Participation In Payment Of Terrorism Losses

The United States Government, Department of the Treasury, will pay a share of terrorism losses insured under the federal program. The federal share equals 90% of that portion of the amount of such insured losses that exceeds the applicable insurer retention.

PERSONAL INJURY PROTECTION ENDORSEMENT - TEXAS

This endorsement modifies insurance provided under the following:

**BUSINESS AUTO COVERAGE FORM
GARAGE COVERAGE FORM
TRUCKERS COVERAGE FORM
NON-RESIDENT TEXAS AUTO POLICY**

SEE SCHEDULE

Limits of Insurance (each Insured)	SCHEDULE	Premium
_____		_____
_____		_____
_____		_____

Description of Covered Autos

(Check appropriate block)

- ☐ Any auto owned by you.
☐ Any private passenger auto owned by you.
☐ Any motor vehicle to which are attached dealer's license plates issued to you.
☐ Any motor vehicle designated in the Declarations of the policy by the letters P.I.P. and a motor vehicle ownership of which is acquired during the policy period by the named insured as a replacement therefor.

☐ _____

A. COVERAGE

We will pay Personal Injury Protection benefits because of bodily injury:

1. resulting from a motor vehicle accident; and
2. sustained by a person insured.

Our payment will only be for losses or expenses incurred within three years from the date of accident.

Personal Injury Protection benefits consist of:

1. Necessary expenses for medical and funeral services.
2. Eighty percent of an insured's loss of income from employment. These benefits apply only if, at the time of the accident, the insured
 - a. was an income producer; and
 - b. was in an occupational status

These benefits do not apply to any loss after the insured dies

Loss of income is the difference between

- a. income which would have been earned had the person insured not been injured; and
- b. the amount of income actually received from employment during the disability.

If the income being earned as of the date of **accident** is a salary or fixed remuneration, it shall be used in determining the amount of income which would have been earned. Otherwise, the average monthly income earned during the period (not more than 12 months) preceding the **accident** shall be used.

3. Reasonable expenses incurred for obtaining services. These services must replace those an insured would normally have performed.

- a. without pay;
- b. during a period of disability; and
- c. for the care and maintenance of the family or household.

These benefits apply only if, at the time of the **accident**, the insured:

- a. was not an income producer; and
- b. was not in an occupational status.

These benefits do not apply to any loss after the insured dies.

B. EXCLUSIONS

We do not provide Personal Injury Protection Coverage for any person for **bodily injury** sustained:

1. In an **accident** caused intentionally by that person.
2. By that person while in the commission of a felony.
3. By that person while attempting to elude arrest by a law enforcement official.
4. While **occupying** or when struck by, any motor vehicle (other than a **covered auto**) which is owned by you.
5. By a **family member** while **occupying** or when struck by any motor vehicle (other than a **covered auto**) which is owned by a family member.

C. WHO IS AN INSURED

1. You or any **family member** while **occupying** or struck by any **auto**.
2. Anyone else **occupying** a **covered auto** with your permission.

D. LIMIT OF INSURANCE

Regardless of the number of owned **covered autos**, **insureds**, premiums paid, claims made or vehicles involved in the **accident**, the most we will pay for **bodily injury** for each **insured** in any one **accident** is the limit of Personal Injury Protection shown in this Schedule or in the Declarations.

E. CONDITIONS

The **CONDITIONS** of the policy are changed for Personal Injury Protection as follows:

1. **TRANSFER OF RIGHTS OF RECOVERY AGAINST OTHERS TO US** does not apply.
2. The reference in **OTHER INSURANCE** to "other collectible insurance" is replaced by the following:

If there is other Personal Injury Protection Insurance, we will pay only our share. Our share is the proportion that our Limit of Insurance bears to the total of all applicable limits. However, any insurance we provide with respect to a vehicle you do not own shall be excess over any other collectible Personal Injury Protection Insurance.

F. PAYMENT PROVISION

Loss Payments. Benefits are payable:

1. not more frequently than every two weeks, and
2. within 30 days after satisfactory proof of claim is received.

G. ASSIGNMENT OF BENEFITS

Payments for medical benefits will be paid directly to a physician or other health care provider if we receive a written assignment signed by the covered person to whom such benefits are payable.

H. ADDITIONAL DEFINITIONS

The following are added to the **DEFINITIONS** Section and have special meaning for Personal Injury Protection.

1. "**Family member**" means a person related to you by blood, marriage or adoption who is a resident of your household, including a ward or foster child.
2. "**Occupying**" means in, upon, getting in, on, out or off.
3. "**Covered auto**" means an **auto**:
 - a. owned or leased by you or
 - b. while temporarily used as a substitute for an owned **covered auto** that has been withdrawn from normal use because of its breakdown, repair, servicing, loss or destruction.

Liability covered of this policy must apply to the **covered auto**.

Covered auto includes **autos** (described in a. and b. above) for which Personal Injury Protection coverage has not been rejected in writing.

UNINSURED/UNDERINSURED MOTORISTS INSURANCE

This endorsement modifies insurance provided under the following:

BUSINESS AUTO COVERAGE FORM
GARAGE COVERAGE FORM
TRUCKERS COVERAGE FORM
NON-RESIDENT TEXAS AUTO POLICY

SCHEDULE

Coverage	Limit of Insurance	Premium
Bodily Injury	\$ each person	
	\$ each accident	\$
Property Damage	\$ each accident	\$
Combined Liability	\$ each accident	\$

Designated Person:

SEE SCHEDULE

Description of Covered Autos

(Check appropriate box.)

- ☐ Any auto owned by you.
- ☐ Any private passenger auto owned by you.
- ☐ Any auto to which are attached dealer's license plates issued to you.
- ☐ Any auto designated in the declarations of the policy [by the letters "UM/UIM"] and an auto ownership of which is acquired during the policy period by you as a replacement therefor.
- ☐ _____

A. COVERAGE

We will pay damages which an insured is legally entitled to recover from the owner or operator of an uninsured motor vehicle because of bodily injury sustained by an insured, or property damage caused by an accident. The owner's or operator's liability for these damages must arise out of the ownership, maintenance or use of the uninsured motor vehicle. Any judgment for damages arising out of a suit brought without our written consent is not binding on us. If we and you do not agree as to whether or not a vehicle is actually uninsured, the burden of proof as to that issue shall be on us.

B. EXCLUSIONS

1. We do not provide Uninsured/Underinsured Motorists Insurance for any person:
 - a. For bodily injury sustained while occupying, or when struck by any motor vehicle or a trailer of any type owned by you, a designated person or a family member of either which is not insured for this coverage under this policy.
 - b. If that person or the legal representative settles the claim without our consent.
 - c. For the first \$250 of the amount of damage to the property of that person as the result of any one accident.
 - d. Using a vehicle without a reasonable belief that the person is entitled to do so. This exclusion does not apply to you, any designated person or a family member of either while using a covered auto.
 - e. For bodily injury or property damage resulting from the intentional acts of that person.
2. This coverage shall not apply directly or indirectly to benefit:
 - a. an insurer or self-insurer under any workers' compensation, disability benefits or similar law;
 - b. any insurer of property.

C. WHO IS AN INSURED

1. You and any **designated person** and any **family member** of either.
2. Any other person **occupying a covered auto**.
3. Any person or organization for damages that person or organization is entitled to recover because of **bodily injury** sustained by a person described in 1. or 2. above.

D. LIMIT OF INSURANCE

When separate Limits of Insurance for **bodily injury** and **property damage** liability are shown in the Declarations or in the Schedule for this coverage the Limit of Insurance for each person for **bodily injury** liability is our maximum Limit of Insurance for all damages for **bodily injury** sustained by any one person in any one **auto accident**. Subject to this limit for each person, the Limit of Insurance indicated for each "**accident**" for **bodily injury** liability is our maximum Limit of Insurance for all damages for **bodily injury** resulting from any one **accident**. The Limit of Insurance indicated for each "**accident**" for **property damage** liability is our maximum Limit of Insurance for all damages to all property resulting from any one **auto accident**.

If the applicable Limit of Insurance shown either in the Schedule or in the Declarations for this coverage is for combined liability, it is our maximum Limit of Insurance for all damages resulting from any one **accident**.

This is the most we will pay regardless of the number of:

1. **insureds**;
2. **claims made**;
3. **policies or bonds applicable**;
4. **covered autos**;
5. **vehicles involved**.

Subject to this maximum, our limit of liability will be the lesser of;

1. The difference between the amount of a covered **insured's** damages for **bodily injury** or **property damage** and the amount paid or payable to that covered **insured** for such damages, by or on behalf of persons or organizations who may be legally responsible; and
2. The applicable limit of liability for this coverage.

In order to avoid insurance benefits payments in excess of actual damages sustained, subject only to the limits set out in the Schedule or in the Declarations and other applicable provisions of this coverage, we will pay all covered damages not paid or payable under any workers' compensation law, disability benefits law, any similar law, auto medical expense coverage or Personal Injury Protection Coverage.

Any payment under this coverage to or for an **insured** will reduce any amount that **insured** is entitled to recover for the same damages under the **LIABILITY COVERAGE** of this policy.

SPECIAL PROVISION FOR PROPERTY DAMAGE

Any **property damage loss** to which the **PHYSICAL DAMAGE COVERAGE** of this policy (or similar coverage from another policy) and this coverage both apply, you may choose the coverage from which damages will be paid. You may recover under both coverages, but only if:

1. neither one by itself is sufficient to cover the **loss**;
2. you pay the higher deductible amount (but you do not have to pay both deductibles); and
3. you will not recover more than the actual damages.

E. CONDITIONS

The **CONDITIONS** of the policy are changed for **UNINSURED/UNDERINSURED MOTORISTS INSURANCE** as follows:

1. **DUTIES IN THE EVENT OF ACCIDENT, CLAIM, SUIT OR LOSS** is changed by adding the following:
 - a. promptly notify the police if a hit-and-run driver is involved, and
 - b. promptly send us copies of the legal papers if a **suit** is brought,
 - c. take reasonable steps after **loss** to protect the **covered auto** and its equipment from further **loss**. We will pay reasonable expenses incurred to do this,
 - d. permit us to inspect and appraise the damaged property before its repair or disposal.

2. TRANSFER OF RIGHTS OF RECOVERY AGAINST OTHERS TO US is changed by adding the following:

If we make any payment and the insured recovers from another party, the insured shall hold the proceeds in trust for us and reimburse us to the extent of our payment. However, we may not claim the amount recovered from an insurer of any underinsured motor vehicle.

3. The reference in OTHER INSURANCE to "other collectible insurance" is replaced by the following:

If there is other applicable similar insurance we will pay only our share of the loss. Our share is the proportion that our Limit of Insurance bears to the total of all applicable limits. However, any insurance we provide with respect to a vehicle you do not own shall be excess over any other collectible insurance.

F. ADDITIONAL DEFINITIONS

The following are added to the DEFINITIONS Section and have special meaning for UNINSURED/UNDERINSURED MOTORISTS INSURANCE:

1. **"Family member"** means a person related to you by blood, marriage or adoption who is a resident of your household, including a ward or foster child.
2. **"Designated person"** means an individual named in the schedule. By such designation, that person has the same coverage as you.
3. **"Occupying"** means in, upon, getting in, on, out or off.
4. **"Covered auto"** means an auto:
 - a. owned or leased by you or
 - b. while temporarily used as a substitute for an owned covered auto that has been withdrawn from normal use because of its breakdown, repair, servicing, loss or destruction.

Liability coverage of this policy must apply to the covered auto.

Covered auto includes autos (described in a. and b. above) for which Uninsured/Underinsured Motorists Insurance has not been rejected in writing.

5. **"Property damage"** means injury to or loss of or destruction of:
 - a. a covered auto, or
 - b. property owned by you, a designated person, or any family member of either while contained in a covered auto; or
 - c. property owned by any other person occupying the covered auto while contained in the covered auto; and
 - d. any property owned by you, a designated person or family member of either while contained in any auto not owned, but being operated by you, a designated person or any family member of either.
6. **"Uninsured motor vehicle"** means a land motor vehicle or trailer of any type:
 - a. To which no liability bond or policy applies at the time of the accident.
 - b. Which is a hit-and-run vehicle whose operator or owner cannot be identified. The vehicle must hit an insured, a covered auto or a vehicle an insured is occupying.
 - c. To which a liability bond or policy applies at the time of the accident, but the bonding or insuring company denies coverage or is or becomes insolvent.
 - d. Which is an underinsured motor vehicle. An underinsured motor vehicle is one to which a liability bond or policy applies at the time of the accident but its limit of liability either:
 - (1) is not enough to pay the full amount the covered insured is legally entitled to recover as damages; or
 - (2) has been reduced by payment of claims to an amount which is not enough to pay the full amount the covered insured is legally entitled to recover as damages.

However "uninsured motor vehicle" does not include any vehicle or equipment,

- a. Owned by or furnished or available for the regular use of you, a designated person or a family member of either.
- b. Owned or operated by a self-insurer under any applicable motor vehicle law.
- c. Owned by any governmental body unless the operator of the vehicle is uninsured and there is no statute imposing liability for damage because of bodily injury or property damage on the governmental body for an amount not less than the Limit of Insurance for this coverage.
- d. Operated on rails or crawler treads.
- e. Designed mainly for use off public roads while not on public roads.
- f. While located for use as a residence on premises.

CANCELLATION PROVISION OR COVERAGE CHANGE ENDORSEMENT

This endorsement modifies insurance provided under the following:

BUSINESS AUTO COVERAGE FORM
GARAGE COVERAGE FORM
TRUCKERS COVERAGE FORM

_____ days before this policy is cancelled or materially changed to reduce or restrict
coverage we will mail notice of cancellation or change to:

(Enter Name and Address)

SEE IH1201

**ADDITIONAL INSURED - LESSOR
(BROAD FORM COVERAGE)**

This endorsement modifies insurance provided under the following:

BUSINESS AUTO COVERAGE FORM
GARAGE COVERAGE FORM
TRUCKERS COVERAGE FORM

SCHEDULE

Insurance Company HARTFORD CASUALTY INSURANCE COMPANY

Policy Number 65 UEC TU8145

Effective Date 04/10/05

Expiration Date 04/10/06

Named Insured BORDER STATES TRAFFIC SUPPLY, INC

Address 1138 KASTRIN

EL PASO

TX 79907

Additional Insured (Lessor) PENSKE TRUCK LEASING CO LP

Address ROUTE 10 GREEN HILLS PO BOX 563

READING

PA 19603

Designation or Description of Leased Autos

SEE SUBSEQUENT PAGE

Coverages	Limit of Insurance	Premium
Combined Liability	\$ Each Accident	\$
Bodily Injury	\$ Each Person	\$
	\$ Each Accident	\$
Property Damage	\$ Each Accident	\$
Coverages	Enter Actual Cash Value or Stated Amount	Deductible Amount
Comprehensive	\$	\$ For Each Covered Auto
Collision	\$	\$ For Each Covered Auto
Specified Causes of Loss	\$	\$ For Each Covered Auto
Limited Specified Causes of Loss	\$	\$ For Each Covered Auto

A. Any leased auto designated or described in this Schedule or in the Declarations will be considered a covered auto you own and not a covered auto you hire or borrow. For a covered auto that is a leased auto WHO IS AN INSURED is changed to include as an insured the lessor named in the Schedule or in the Declarations.

B. LOSS PAYABLE CLAUSE

1. We will pay you and the lessor named in this endorsement for loss to a leased auto, as interest may appear
2. The insurance covers the interest of the lessor unless the loss results from fraudulent acts or omissions on your part.
3. If we make any payment to the lessor, we will obtain his rights against any other party.

C. CANCELLATION

1. If we cancel the policy, we will mail notice to the lessor in accordance with CANCELLATION Common Policy Condition.
2. If you cancel the policy, we will mail notice to the lessor.
3. Cancellation ends this agreement.

D. The lessor is not liable for payment of your premiums.

E. ADDITIONAL DEFINITION

The following is added to the DEFINITIONS Section:

"Leased auto" means an auto leased to you for one year or more, including any substitute or replacement, under a leasing agreement which requires you to provide direct primary insurance for the lessor.

SCHEDULE

LESSOR NO: 01

Designation or Description of Leased Autos

COV AUTO NO. 00012 05 FORD 1FDWF36515EA01757 \$35,000-NEW

LIABILITY \$1,000,000 EACH "ACCIDENT"

PERSONAL INJURY PROTECTION NO LESS THAN THE PERSONAL INJURY PROTECTION (OR EQUIVALENT NO-FAULT COVERAGE) LIMIT REQUIRED BY LAW.

COMPREHENSIVE \$1,000 DEDUCTIBLE

COLLISION \$1,000 DEDUCTIBLE

**CHANGES IN TRANSFER OF RIGHTS OF RECOVERY AGAINST OTHERS TO US
(WAIVER OF SUBROGATION)**

This endorsement modifies insurance provided under the following:

BUSINESS AUTO COVERAGE FORM
GARAGE COVERAGE FORM
TRUCKERS COVERAGE FORM

The CONDITION entitled "TRANSFER OF RIGHTS OF RECOVERY AGAINST OTHERS TO US" does not apply to

SEE BELOW

(Name of Person or Organization)

Additional Premium \$ 53
endorsement or the policy.

will be retained by us regardless of any early termination of this

J.D. ABRAMS LP & TXDOT

ADDITIONAL INSURED

This endorsement modifies insurance provided under the following:

**BUSINESS AUTO COVERAGE FORM
GARAGE COVERAGE FORM
TRUCKERS COVERAGE FORM**

The provisions and exclusions that apply to LIABILITY COVERAGE also apply to this endorsement.

SEE IH1201

(Enter Name and Address of Additional Insured.)

is an **Insured**, but only with respect to legal responsibility for acts or omissions of a person for whom Liability Coverage is afforded under this policy.

The **additional insured** is not required to pay for any premiums stated in the policy or earned from the policy. Any return premium and any dividend, if applicable, declared by us shall be paid to you.

You are authorized to act for the **additional insured** in all matters pertaining to this insurance.

We will mail the **additional insured** notice of any cancellation of this policy. If the cancellation is by us, we will give ten days notice to the **additional insured**.

The **additional insured** will retain any right of recovery as a claimant under this policy.

POLICY NUMBER: 65 UEC TU8145
04/10/05

TE 99 41B
(Ed. Effective 3/92)

EXCLUSION OF NAMED DRIVER AND PARTIAL REJECTION OF COVERAGES

This endorsement modifies insurance provided under the following:

BUSINESS AUTO COVERAGE FORM
GARAGE COVERAGE FORM
TRUCKERS COVERAGE FORM

WARNING

READ THIS ENDORSEMENT CAREFULLY!

This acknowledgement and rejection is applicable to all renewals issued by us or any affiliated insurer.

However, we must provide a notice with each renewal as follows: "This policy contains a named driver exclusion."

You agree that none of the insurance coverages afforded by this policy shall apply while
FRANK LERMA is operating a covered auto or any other motor vehicle.

(The Excluded Driver)

You further agree that this endorsement will also serve as a rejection of uninsured/underinsured motorists coverage and personal injury protection coverage while a covered auto or any other motor vehicle is operated by the excluded driver.

Acknowledged by _____

(Your signature)

THE HARTFORD
3600 WISEMAN BLVD.
SAN ANTONIO

TX 78251

09080

*2100065TU81450101



LOSS PAYABLE CLAUSE

This endorsement modifies insurance provided under the following:

BUSINESS AUTO COVERAGE FORM
GARAGE COVERAGE FORM
TRUCKERS COVERAGE FORM

PENSKI TRUCK LEASING

11451 CHITO SAMANIEGO

Loss Payee: EL PASO TX 79936

Loss or damage under PHYSICAL DAMAGE COVERAGE shall be paid as interest may appear to you and the loss payee shown in the declarations or in this endorsement. This insurance covering the interest of the loss payee shall not become invalid because of your fraudulent acts or omissions, unless the loss results from your conversion, secretion or embezzlement of your covered autos. However, we reserve the right to cancel the policy as permitted by policy terms and the cancellation shall terminate this agreement as to the loss payee's interest. We will give the same advance notice of cancellation to the loss payee as we give to the named insured shown in the declarations.

When we pay the loss payee we shall, to the extent of payment, be subrogated to the loss payee's rights of recovery.

SEE SCHEDULE

TEXAS PREMIUM DISCOUNT

This endorsement modifies insurance provided under the following:

BUSINESS AUTO COVERAGE FORM
GARAGE COVERAGE FORM
TRUCKERS COVERAGE FORM

Policies included in Texas
premium discount determination:

65UECTU8145

Estimated standard premium (as
determined in A. below):

\$ [REDACTED]
\$
\$
\$

Discount ratios (as determined in B. below) applicable to Texas premium subject to this endorsement:

Public (excluding school buses),
zone rated autos

%

All other autos (including school
buses), garages

%

A. ADDITIONAL DEFINITION

The following are added to the DEFINITION Section and have special meaning for this Texas Premium Discount Endorsement.

1. **Texas Standard Premium** means premiums for auto liability, auto medical payments and personal injury protection coverages for covered autos under the policies shown in this endorsement which are subject to Texas rates and premiums, excluding any premiums subject to retrospective rating.
2. **Standard Premium** means all premiums for auto liability, auto medical payments and personal injury protection coverages for covered autos under the policies shown in this endorsement, including premiums for those exposures in states other than Texas, but excluding any premiums subject to any retrospective rating plan.

B. TEXAS PREMIUM DISCOUNT

Applicable as follows:

1. For policy periods of one year or less. The Texas Standard Premium is subject to the discount ratio shown opposite the column labeled "Standard Premium" that appears in the Table of Auto Discount Ratios contained in the Texas Automobile Manual.
2. For policy periods of more than one year. The Texas Standard Premium for each annual period or portion thereof during the policy period is subject to the discount ratio as explained in 1. above.
3. For Texas premium subject to retrospective rating, the applicable premium discount (using the table contained in the Texas Automobile Manual) is the difference between:
 - a. the discount determined by applying the discount ratio applicable to the Texas Standard Premium as described in 1. above, and
 - b. the discount determined by applying the discount ratio applicable to the total amount of premium that is subject to retrospective rating.



THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the following:

30 DAY NOTICE OF CANCELLATION

COMMERCIAL AUTO COVERAGE PART

J.D. ABRAMS LP & TXDOT
111 CONGRESS AVE STE 2400
AUSTIN TX 78701



THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the following:

ADDITIONAL INSURED

COMMERCIAL AUTO COVERAGE PART

J.D. ABRAMS LP & TXDOT
111 CONGRESS AVE STE 2400
AUSTIN TX 78701

09082

*2100065TU81450101



AUTOMOBILE SUMMARY

PAGE 1

POLICY INFORMATION

NAMED INSURED: BORDER STATES TRAFFIC SUPPLY
 PRODUCER CODE AND NAME: 812584 TALBOT AGENCY INC.
 COMPANY CODE AND NAME: 3 HARTFORD CASUALTY INSURANCE COMPANY
 EFFECTIVE DATE: 04/10/05 EXPIRATION DATE: 04/10/06
 EXAMINATION PERIOD:

POLICY COVERAGES RECAP

COVERAGE	COVERED AUTOS	LIMITS	PREMIUM
LIABILITY	1	\$ 1,000,000 PER ACC	\$ [REDACTED]
NO FAULT	2	\$ 2,500 EACH INSURED	\$ [REDACTED]
UM	2	\$ 1,000,000 PER ACC	\$ [REDACTED]
OTC	7		\$ [REDACTED]
COLLISION	7		\$ [REDACTED]
ENDORSEMENTS			\$ [REDACTED]
TOTAL ESTIMATED PREMIUM			\$ [REDACTED]
TEXAS PREMIUM DISCOUNT			\$ - [REDACTED]
TOTAL PREMIUM			\$ [REDACTED]
AUTO THEFT FEE			\$ [REDACTED]

09083

*2100065TU81450101

POLICY # 65UECTU8145 SC CONTROL # 001 TERM ID R038R15S
 PROCESS DATE 04/05/05 OPER INITIALS BPG AAR PREV POL # 65UECTU8145